

EXECUTIVE REORGANIZATION ORDER
E.R.O. No. 2002-12

38.1173 Transfer of powers and duties of department of management and budget, office of state employer, department of treasury, and department of information technology related to direction and management of HRMN system to department of civil service by type II transfer.

WHEREAS, Article V, Section 1, of the Constitution of the State of Michigan of 1963 vests the executive power in the Governor; and

WHEREAS, Article V, Section 2, of the Constitution of the State of Michigan of 1963 empowers the Governor to make changes in the organization of the Executive Branch or in the assignment of functions among its units which he considers necessary for efficient administration; and

WHEREAS, Article XI, Section 5, of the Constitution of the State of Michigan of 1963 empowers the Michigan Civil Service Commission to fix rates of compensation for all classes of positions, to approve or disapprove all disbursements for personal services, to make rules and regulations covering all personnel transactions, and to regulate all conditions of employment in the state classified service; and

WHEREAS, the administration of state employee benefit programs and the Quality Recognition System was transferred from the Office of the State Employer and the Department of Management and Budget to the Department of Civil Service by Executive Order 2002-13, effective October 1, 2002; and

WHEREAS, the Human Resource Management Network ("HRMN") System is under the joint executive direction of the directors of the Department of Civil Service, the Office of the State Employer, the Department of Management and Budget, the Office of the State Budget within the Department of Management and Budget, and the Department of Information Technology; and

WHEREAS, the HRMN System is managed by an informal HRMN Systems Coordination Committee consisting of representatives from the Department of Civil Service, the Department of Information Technology, the Office of the State Employer, the State Budget Office within the Department of Management and Budget, and the Department of Treasury; and

WHEREAS, in order to streamline business processes, improve service, focus development planning, enhance flexibility and responsiveness, and improve coordination among all user agencies, the executive direction and management of the HRMN System should be established within a single central agency.

NOW, THEREFORE, I, John Engler, Governor of the State of Michigan, pursuant to the powers vested in me by the Constitution of the State of Michigan of 1963 and the laws of the State of Michigan, do hereby order the following:

I. DEFINITIONS

As used herein:

A. The "Civil Service Commission" means the Civil Service Commission created in Article XI, Section 5, of the Constitution of the State of Michigan of 1963.

B. The "Department of Civil Service" means the principal department of state government created by Section 200 of Act No. 380 of the Public Acts of 1965, being Section 16.300 of the Michigan Compiled Laws. Pursuant to Section 201 of Act No. 380 of the Public Acts of 1965, being Section 16.301 of the Michigan Compiled Laws, the head of the department is the Civil Service Commission.

C. The "State Personnel Director" means the person vested with the administration of the powers of the Civil Service Commission in Article XI, Section 5, of the Constitution of the State of Michigan of 1963.

D. The "Department of Management and Budget" means the principal department of state government created by Section 121 of Act No. 431 of the Public Acts of 1984, being Section 18.1121 of the Michigan Compiled Laws.

E. The "Office of the State Employer" means the autonomous office created within the Department of Management and Budget by Executive Order 1979-5, whose duties include, but are not limited to, those assigned by Executive Orders 1979-5, 1981-3, 1988-6, and 2002-18.

F. The "Department of Treasury" means the principal department of state government created by Section 75 of Act No. 380 of the Public Acts of 1965, being Section 16.175 of the Michigan Compiled Laws.

G. The "Department of Information Technology" means the principal department of state government created by Executive Order 2001-3, being Section 18.41 of the Michigan Compiled Laws.

H. The "HRMN System" means the Michigan statewide Human Resource Management Network System that delivers payroll, personnel, employee benefits, and other human resource functionality and data exchange, and includes, but is not limited to, the standards, guidelines, processes, procedures, practices, rules, regulations, hardware, and software for the operation of the HRMN System.

I. The "executive direction and management of the HRMN System" means the authority, power, duty, and responsibility for all of the following:

1. To establish, implement and enforce policy standards, guidelines, processes, procedures, practices, rules, and regulations for the operation of the HRMN System, consistent with applicable law.
2. To manage the HRMN System to achieve the business needs for payroll, personnel, employee benefits, and other human resource functions for the state of Michigan.
3. To direct and manage the program development and implementation of changes in the HRMN System.
4. To acquire technology development, services and software for the HRMN system through agency operating agreements between the Department of Civil Service and the Department of Information Technology.
5. To acquire and manage contracts for the HRMN System.
6. To standardize or centralize agency personnel transactions in the HRMN System.

II. TRANSFER

A. All of the authority, powers, duties, functions, and responsibilities of the Department of Management and Budget, the Office of the State Employer, the Department of Treasury, and the Department of Information Technology related to the executive direction and management of the HRMN System, except as otherwise provided in Part III of this Order, are hereby transferred to the Department of Civil Service by Type II transfer, as defined by Section 3 of Act No. 380 of the Public Acts of 1965, as amended, being Section 16.103 of the Michigan Compiled Laws.

B. The Director of the Department of Civil Service may convene an advisory committee consisting of:

1. State Personnel Director, or his or her designee,
2. State Treasurer, or his or her designee,
3. State Budget Director, or his or her designee,
4. Director of the Department of Management and Budget, or his or her designee,
5. Director of the Office of the State Employer, or his or her designee, and
6. Director of the Department of Information Technology, or his or her designee.

III. MISCELLANEOUS

A. This Order does not transfer any other authority, power, duty, function, or responsibility of the Department of Management and Budget, the Office of the State Employer, the Department of Treasury, or the Department of Information Technology that is now provided by law.

B. This order does not transfer any records, personnel, property, or funds to or from the Department of Civil Service, the Department of Management and Budget, the Office of the State Employer, the Department of Treasury, or the Department of Information Technology.

C. For the purpose of implementing this Order or facilitating the delivery of human resource services, the Department of Management and Budget, the Office of the State Employer, the Department of Treasury, or the Department of Information Technology may delegate by written instrument a lawful duty or power to the Department of Civil Service or the State Personnel Director. The department or person to whom such duty or power is delegated may perform the duty or exercise the power at the time and to the extent that the duty or power is delegated. Any such delegation may be revoked by written instrument delivered to the department or person to whom the duty or power was originally delegated.

D. Upon execution of a written instrument pursuant to subsection C, the Department of Management and Budget, the Office of the State Employer, the Department of Treasury, or the Department of Information Technology may transfer to the Department of Civil Service by written instrument any record, personnel, property, or funds now used, held, employed, available to, or to be made available to the Department of Management and Budget, the Office of the State Employer, the Department of Treasury, or the Department of Information Technology for the operation, management or maintenance of the HRMN System.

E. For the purpose of implementing this Order or facilitating the delivery of human resource services, the Department of Management and Budget, the Office of the State Employer, the Department of Treasury, the Department of Information Technology, or any other executive branch agency may enter into a written agreement, including a service level agreement, with the Department of Civil Service regarding activities, staffing, operations, and infrastructure support to be provided for the support or operation of the HRMN System.

F. The State Personnel Director, in cooperation with the Director of the Office of the State Employer, the Director of the Department of Management and Budget, the State Treasurer, and the director of the Department of Information Technology, shall provide executive direction and supervision for the implementation of the transfer.

G. All rules, orders, contracts, agreements, or other obligations relating to the HRMN System lawfully

adopted prior to the effective date of this Order shall continue to be effective until revised, amended or repealed.

H. Nothing contained in this Order shall diminish or limit the authority of the Civil Service Commission to exercise any authority granted to it under Article XI, Section 5 of the Constitution of the State of Michigan of 1963.

I. The invalidity of any portion of this Order shall not affect the validity of the remainder thereof.

History: 2002, E.R.O. No. 2002-12, Eff. Dec. 29, 2002.